

STEEL PRODUCTION FAR BELOW NEEDS

1

**Prospective Output for Current
Half of Year 3,500,000 Tons
Under Estimate.**

23,000,000 ARE REQUIRED

Mills Kept at Top Speed Notwithstanding Influence of Peace Talk.

Special Despatch to THE SUN.
PITTSBURG, Oct. 20.—The main topic of conversation in iron and steel circles today throughout the day was the definite

in steel for the current half year. The prospective output for the half year is a little over 19,500,000 net tons of finished rolled steel if nothing happens to the

14 mills, and is not expected to reach the
20,000,000 mark. The War Industries
Board has gone carefully over its re-
quirements and has not been able to re-
duce its estimate that at least 23,000,000

000 tons is needed. Some scaling was done in special cases, but on the other hand there were additional appeals from Gen. Pershing and his allies which brought the deficit down to where it was before. It will fall on the war pro-

gramme work more than anywhere else, including the operations of the railroads, as while no steel required for overseas will be cut off the transportation facilities will be reduced and thus directly hamper the war programme. Commercial

steel is still under the ban, and even that described as "commercially essential" has a long way to go before securing an order on steel. War demands have run largely to steel of special characteristics, namely various classes of, particularly

whereby various classes of particularly fine steel have been produced, and after the war the commercial consumer will have a wider range of steel quality to choose from, with smaller premiums for the extra quality than would otherwise

A great many consumers of steel have grown accustomed to using material that formerly would have been utterly rejected. Here and there cases may exist of the consumer finding some other de-

3
1 1/2
1/2
9 1/2

scription of steel being really better suited to his work than the steel which he had been accustomed to demand. Thus war conditions have operated, first, to increase greatly the range of steel characteristics that can be produced

and, second, to increase greatly the range of steel qualities the consumer is willing to accept and use. After the war the steel consumer will have a wider range of steel to select from and the pro-

Better Supply of Scrap.
While there is nothing like a free of-

fering of scrap by dealers or others, a close scrutiny indicates that there is a somewhat better supply than has been the case for several months. Some theories are advanced to account for the change. One is based on the fact that

change. One is based on the fact that a number of railroads, finding labor so scarce, have discontinued sorting and preparing their scrap, and are offering it much as they gather it. This, of course, would not increase the total

supply in the long run, but would shorten the time from the gathering of scrap to its being offered to consumers, and thus temporarily the market supply would be swelled. Another theory is that the railroads are wrecking more

cars and locomotives than formerly, on account of receiving heavier deliveries of new rolling stock. Peace talk has received much attention in the scrap trade, which promptly started to canvass the market probabilities in the event of

peace being declared. The consensus of opinion among dealers is that the market will decline, and rather promptly. Apart from the feeling that values of all iron and steel commodities will tend to decline upon the declaration of

peace, or shortly thereafter, there is a knowledge of the mental attitude toward scrap of the average consumer, who has not been pleased at what has occurred in scrap, and particularly with the classification of all positively bona

the disposition to call nearly all S-735 "heavy melting" unless it could be called by a still better name. When the pressure for maximum production of steel is relaxed consumers are likely to take full advantage of the opportunity

No Change in Plate Allotments.
So far as can be ascertained there is no change in the weekly allotment of plates for shipbuilding, which has been

at 50,000 net tons a week for several months past. Some rearrangements are being made in the allocation of orders, however, for the purpose of increasing or decreasing the amount of steel the

3 1/2
2
3
2
1
2
1 3/4

mill in question will put into other finished products. The case of each mill is studied in the light of what facilities it has for putting steel into other commodities, it being desired to increase the output of some commodities

While jobbers' requirements in standard steel pipe for October, made up on the basis of their September distribution for approved purposes, have not been fully made up, indications are that the

October quotas will prove approximately the same as those of September. Distribution by mills will not be as heavy because of the higher rating. B.C. now prescribed for all-country goods distributed through, although, apparently, no restriction is

curtail though jobbers, this operating is curtailed by so much the production of standard steel pipe, which gets B-4 rating for jobbers. The November distribution may be still smaller, but it is pointed out that the large seasonal re-

quirements, for repairs, preparation for winter, etc., should be fairly well taken care of by this time, so that lighter distribution of standard steel pipe to jobbers for two or three weeks to come may not cause much hardship.

No Letup in Production.

The present peace talk is accepted in the steel industry as suggesting that peace is somewhat nearer than was expected.

posed a few weeks ago to be the case, but it is not accepted as suggesting even remotely that peace may be a matter of only a few weeks. Steel makers must be disposed to indulge that comfortable thought if they did not realize

line that it would be highly inefficient for them to do so, as having a possible tendency to render a maximum of war service. The steel industry is under the control of the War Industries Board and will take its cue from that source.

not from the newspapers or any diplomatic quarter. The production and distribution of steel goes on in total disregard of the diplomatic talk.

The Chamber of Commerce of the United States has called a meeting of the

national distributors of iron and steel products, structural fabricators and manufacturers of hardware, plumbing, mill and mine supplies, tubular goods, tools and oil well machinery, at the WIL-

20 and 31, for the purpose of electing a war service committee to represent the lion and steel industries before the War Industries Board and other branches of the Government. The meeting will bring

together manufacturers from the large industrial centres of the country, and especially every manufacturer in the Pittsburgh district. The committee to be selected will be given authority to deal with the Government on behalf of the

entirely on matters of conservation,
priority, &c.
